banking system as a whole. These estimates also are used in constructing the bank credit component of the domestic non-financial debt aggregate monitored by the Federal Open Market Committee.

The Board proposes to eliminate two items, "Commercial paper outstanding issued by related institutions of the reporting bank, issued through commercial paper brokers and dealers" (Memorandum item 7.a) and "Commercial paper outstanding issued by related institutions of the reporting bank, issued directly" (Memorandum item 7.b). The information collected in these two items is now obtained by the Federal Reserve from another source, eliminating the need to maintain them on the FR 2416. The revisions would be effective with data as-of January 7, 1998.

2. Report title: Consolidated Financial Statements for Bank Holding Companies Agency form number: FR Y-9C OMB control number: 7100-0128 Frequency: Quarterly Reporters: Bank holding companies Annual reporting hours: 196,462 Estimated average hours per response: Ranges from 5 to 1,250 hours Number of respondents: 1,457 Small businesses are affected.

General Information: Under the Bank Holding Company Act of 1956, as amended, the Board is responsible for the supervision and regulation of all bank holding companies. The FR Y-9 series of reports has historically been, and continues to be, the primary source of financial information on bank holding company activities between onsite inspections. Financial information, as well as ratios developed from these reports, are used to detect emerging financial problems, to review performance for pre-inspection analysis, to evaluate bank holding company mergers and acquisitions, and to analyze holding companies overall financial condition and performance as part of the Federal Reserve System's overall supervisory responsibilities.

General description of report: The information collection is mandatory 12 U.S.C. 1844(b) and (c) and 12 CFR 225.5(b). Confidential treatment is not routinely given to the data in these reports. However, confidential treatment for the reporting information, in whole or in part, can be requested in accordance with the instructions to the form

Data reported on the FR Y-9C, Schedule HC-H, Column A, requiring information on "assets past due 30 through 89 days and still accruing" and memoranda item 2 are confidential pursuant to Section (b)(8) of the Freedom of Information Act 5 U.S.C. 552(b)(8).

The FR Y-9C consolidated financial statements are currently filed by top-tier bank holding companies with total consolidated assets of \$150 million or more and by lower-tier bank holding companies that have total consolidated assets of \$1 billion or more. In addition, all multibank bank holding companies with debt outstanding to the general public or engaged in certain nonbank activities, regardless of size, must file the FR Y-9C. The following bank holding companies are exempt from filing the FR Y-9C, unless the Board specifically requires an exempt company to file the report: bank holding companies that are subsidiaries of another bank holding company and have total consolidated assets of less than \$1 billion; bank holding companies that have been granted a hardship exemption by the Board under section 4(d) of the Bank Holding Company Act; and foreign banking organizations as defined by section 211.23(b) of Regulation K.

The report includes a balance sheet, income statement, and statement of changes in equity capital with supporting schedules providing information on securities, loans, risk-based capital, deposits, average balances, off-balance sheet activities, past due loans, and loan charge-offs and recoveries.

On August 27, 1997, the Federal Reserve announced in the *Federal Register*¹ modifications to the prudential limits or firewalls that currently apply to bank holding companies engaged in securities underwriting and dealing activities through section 20 subsidiaries. The modifications are effective October 31, 1997.

The Federal Reserve announced that as one of its modifications to the firewalls, it was eliminating the required capital deductions that related to the section 20 subsidiary in determining capital adequacy. The Federal Reserve stated that "the capital deductions (and resulting deconsolidation for regulatory capital purposes) are inconsistent with generally accepted accounting principles (GAAP) and have therefore created confusion and imposed costs by requiring bank holding companies to prepare financial statements on two bases." Therefore, the Federal Reserve is proposing to grant prompt reporting relief to bank holding companies with section 20 subsidiaries by eliminating Schedule HC-J from the FR Y-9C

effective with the December 31, 1997, reporting date.

The estimated time per response is an average of all bank holding companies filing this report. The response time for a given bank holding company varies depending on the size and the types of activities in which they are engaged. The time per response for a bank holding company is estimated to range from 5 to 1,250 hours, depending on individual circumstances. Although the proposed revisions will provide significant reporting relief for the 26 bank holding companies with section 20 subsidiaries that must currently complete Schedule HC-J, the effect on the average burden of all FR Y-9C respondents is only an estimated reduction of 15 minutes per response.

Board of Governors of the Federal Reserve System, November 3, 1997.

William W. Wiles,

Secretary of the Board.
[FR Doc. 97–29437 Filed 11–6–97; 8:45AM]
Billing Code 6210–01–F

FEDERAL RESERVE SYSTEM

Change in Bank Control Notices; Acquisitions of Shares of Banks or Bank Holding Companies

The notificants listed below have applied under the Change in Bank Control Act (12 U.S.C. 1817(j)) and § 225.41 of the Board's Regulation Y (12 CFR 225.41) to acquire a bank or bank holding company. The factors that are considered in acting on the notices are set forth in paragraph 7 of the Act (12 U.S.C. 1817(j)(7)).

The notices are available for immediate inspection at the Federal Reserve Bank indicated. The notices also will be available for inspection at the offices of the Board of Governors. Interested persons may express their views in writing to the Reserve Bank indicated for that notice or to the offices of the Board of Governors. Comments must be received not later than November 21, 1997.

A. Federal Reserve Bank of Chicago (Philip Jackson, Applications Officer) 230 South LaSalle Street, Chicago, Illinois 60690-1413:

1. Paul H. and Neva M. Johnson, Algona, Iowa; to acquire voting shares of Mid-Iowa Bancshares Company, Algona, Iowa, and thereby indirectly acquire Iowa State Bank, Algona, Iowa.

Board of Governors of the Federal Reserve System, November 3, 1997.

Jennifer J. Johnson,

Deputy Secretary of the Board. [FR Doc. 97–29406 Filed 11–6–97; 8:45 am] BILLING CODE 6210–01–F

^{1 62} FR 45295 (1997).